

Excerpt from FY2004 Financial Statements

Given equity market difficulties prior to fiscal year 2004, the EFIB recommended a reduction in the spending policy for the Endowment beneficiaries. This recommendation was approved by the Land Board, and will change the spending policy as follows:

	<u>Public Schools</u>	<u>Pooled</u>
FY05	5%.....	7%
FY06	4%.....	6%
FY07	4%.....	5%
FY08	4%.....	4%

The payout level will remain stable at 4% thereafter.